

## HOUSE BILL NO. 135

INTRODUCED BY T. BELCOURT

BY REQUEST OF THE RESERVED WATER RIGHTS COMPACT COMMISSION

A BILL FOR AN ACT ENTITLED: "AN ACT DIRECTING THAT STATE FUNDS FOR MITIGATION MEASURES REQUIRED BY THE FORT BELKNAP-MONTANA WATER RIGHTS COMPACT BE MADE AVAILABLE TO THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION; APPROPRIATING \$1 MILLION TO THE DEPARTMENT FOR THE PURPOSES OF SATISFYING THE STATE'S COST-SHARE OBLIGATIONS UNDER THE FORT BELKNAP-MONTANA COMPACT; AMENDING SECTION 85-20-1004, MCA; AND PROVIDING AN EFFECTIVE DATE."

WHEREAS, it is the policy of the state to seek negotiated settlements of federal and Indian reserved water rights claims in Montana under Title 85, chapter 2, part 7, MCA; and

WHEREAS, pursuant to this policy, the State of Montana entered into a water rights compact with the Fort Belknap Indian Community of the Fort Belknap Reservation, which was ratified by the Legislature in 2001 and is codified at 85-20-1001; and

WHEREAS, the compact contains provisions requiring state and federal cost sharing; and

WHEREAS, under the cost-sharing provisions of the compact, the state has agreed to contribute \$5 million to the Fort Belknap Tribes for the construction of a dam and reservoir on Peoples Creek; and

WHEREAS, the state anticipates that the planning, design, and construction of the reservoir on Peoples Creek may commence in the 2011 biennium.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 85-20-1004, MCA, is amended to read:

**"85-20-1004. Mitigation account.** (1) A private purpose trust account, called the mitigation account, is established, as provided for in 17-2-102, for deposit of funds and interest on funds appropriated by the state for mitigation measures required by Article VI of the compact.

(2) On approval of a final decree pursuant to Article VII of the compact, the funds and interest on funds in the mitigation account must be made available to the ~~United States bureau of reclamation~~ DNRC to cover the

1 state's cost-share for construction of mitigation measures chosen on completion of a feasibility study and  
2 appropriate state and federal environmental review ~~by the bureau of reclamation~~ and on consideration of the  
3 economic development plan authorized by 85-20-1008."

4  
5 NEW SECTION. **Section 2. General fund transfer.** There is transferred for the 2011 biennium \$1  
6 million from the general fund to the Peoples Creek minimum flow account established in 85-20-1007.

7  
8 NEW SECTION. **Section 3. Appropriation.** There is appropriated to the department of natural  
9 resources and conservation from the Peoples Creek minimum flow account established in 85-20-1007 \$1 million  
10 for the purposes of and subject to 85-20-1007.

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12 NEW SECTION. **Section 4. Notification to tribal governments.** The secretary of state shall send a  
13 copy of [this act] to each tribal government located on the seven Montana reservations and to the Little Shell  
14 Chippewa tribe.

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16 NEW SECTION. **Section 5. Effective date.** [This act] is effective July 1, 2009.

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